

ALKALI FLAT PROJECT AREA COMMITTEE

Meeting Minutes

WEDNESDAY, JANUARY 26, 2004 – 6:00 PM

ALKALI FLAT NEIGHBORHOOD CENTER/
BRANCH BOYS AND GIRLS CLUB
COMMUNITY ROOM
1117 G STREET
SACRAMENTO, CALIFORNIA

Item 1 6:15 Ms. Delgado called the meeting to order.

Roll call was conducted:

Present: Sofia Parra, Sean Wright, Marilyn Prosser, Antonia Lopez, Rudy Cellular, Charlotte Delgado, Catherine Camacho, Dan Frankfield and Laura Lough.

Item 2 Approve November Minutes

Mr. Wright motioned to accept the December minutes as prepared, Mr. Frankfield seconded and all voted yes to accept the minutes.

Item 3 Globe Mills (Jim Hare)

Ms. Delgado introduced Jim Hare. Mr. Hare updated the PAC on the Globe Mills project. The update included;

- Tax credits application is due in early March.
- Project is scheduled to go before the SHRC 2/16/05.
- Project is then scheduled to go before the City Council on March 1.

Mr. Hare's presentation included a detailed look at the project finances. The financing component recommended by staff included:

L/M Tax Credit Equity	\$12,621,000
Deferred Developer Fee	700,000
Bank Loan	2,580,000
BEDI Grant/Loan	7,500,000
CDBG Multi Family RLF	450,000
HOME Loan	1,000,000
Alkali TI Grant	1,540,000
Alkali TI Loan	2,030,000
Total	\$28,421,000

The Alkali Flat portion of the financing package totaled \$3,570,000. Mr. Hare recognized that the amount was slightly higher than the PAC's requested figure of \$2.5 million. However, he further stated that all parties involved worked very hard to keep the Alkali portion close to the 2.5 million. In addition, he stated that the Agency was

seeking other funds including Workforce Housing Incentive Grant and a Regional Sanitation Fee Credit.

Mr. Erias presented the group with an outline of Alkali Flat funds. It showed a \$1.5 balance remaining after detailing how much is being used for area projects including current and future projects.

Some PAC members were concerned about the project cost on the Alkali funds. They felt that it would deplete the funds to the point of not being able to engage in other priorities. It was pointed that there is a sufficient balance, plus some projects like the 524 Building that will not use the amounts that were set aside. Therefore, more money would be available for future projects. Furthermore, projects are starting to come in without subsidy requests. For example, the Wilkes project next to the 524 and the corner lot on E and 12th are not requesting subsidy.

Others in the group were supportive of the project stating that redevelopment money was best spent on a project such as Globe where the costs for rehabilitation are significantly higher than developing vacant lots or more traditional buildings.

After much discussion about repayment options, Mr. Wright made a motion to accept the project as recommended with repayment options. It was seconded by Mr. Owen. After unsuccessful attempts to amend the motion, a vote was called for on Mr. Wright's motion. Mr. Wright, Mr. Owen, Ms. Prosser and Ms. Lopez voted Aye. Voting No were Ms. Delgado, Ms. Camacho, Ms. Parra, Mr. Frankfield, Mr. Cuellar, and Ms. Lough.

Ms. Delgado made a second motion to limit Alkali funds to \$1,250,000 in grant and \$1,250,000 in loan. Mr. Frankfield seconded the motion. Mr. Wright, Mr. Owen, and Ms. Prosser voted no. Voting Aye were Ms. Delgado, Ms. Camacho, Ms. Parra, Mr. Frankfield, Mr. Cuellar, and Ms. Lough. Ms. Lopez abstained.

Item 4

General Comments

Karen Jacques from the audience spoke in favor of the project and asked for PAC members to support it as recommended.

Item 5

Adjournment

Meeting adjourned at 9:30.